

Workforce Innovation & Opportunity Act

Regional and Local Area Designation and Redesignation

Steering Committee Meeting
February 11, 2015



Agenda

- Welcome
- Purpose of Meeting
- Discuss Public Comments
- Review Options for Recommendation
- Action Steps Needed



Purpose of the Meeting

- Review feedback from Listening Sessions and Written Public Comments
- Discuss Local Options based on Feedback
- Discuss Regional Recommendation based on Feedback
- Make Final Recommendations

Listening Session Themes

- **Local Areas:**

- **Option 1**

- Current structure makes sense for service provision
 - Association with ADDs was discussed frequently
 - Boundaries should not be determined by fiscal integrity
 - Creating more LWIAs is contrary to WIOA
 - Increased administrative expenses with two new areas
 - Remove hub (economic heart) of existing areas if Option 2 granted
 - Resignation of business leaders indicate change is needed though not necessarily boundaries
 - Previous county level service provision failed

Listening Session Themes

- **Local Area:**

- **Option 2**

- Little trust and confidence in existing structure and staff
 - System is broken and workforce needs go unmet
 - If system is to be employer led this issue must be addressed
 - Status quo is not working and the system must evolve
 - New proposed areas would welcome others to join

- **Alternate proposal for eight county region including Fayette County**

Listening Session Themes

- **Regional Recommendation**
 - Most commenters were not in favor
 - There was a lack of understanding of the concept
 - Commenters did not distinguish the roles and responsibilities of regions and local areas in law
 - Not enough similarity among locals to form regions
 - Different targeted industry sectors
 - Reconsider each LWIA being its own region

Chief Local Elected Officials Feedback

- **Local Options Comments:**
 - Maintain EKCEP
 - Barren River is a workforce area though problems exist
 - Even if new areas are established, still together in a regional environment
 - Increased administrative costs with Option 2
 - If reorganized and not supported by all then nothing is resolved
 - 16 of 17 counties in Bluegrass want to maintain structure
 - Boundaries should consider economic structure
 - Changing boundaries is not the only option for change

Chief Local Elected Officials Feedback

- **Regional Recommendation Comments:**
 - The central region would include more jobs and more population
- **CLEOs supported:**
 - Local Option 1
 - Regional Recommendation

Local Elected Officials Feedback

- **Local Option 1 Comments:**
 - Bluegrass LEOs believe Fayette is the heart of the region and vital to smaller counties
 - LEOs believe WKWIB and staff do a great job and serve communities well
 - Cost impact of splitting local areas a concern

Local Elected Officials Feedback

- **Local Option 2 Comments:**
 - South Central KY seeking 501(c)3 status, 60% population, 70% businesses, 74% of jobs
 - South Central KY wants innovation and will seek new funding sources
 - BRADD is broken, activities are questionable and tried working with ADD Director
 - Smaller counties are given same weight as larger counties
 - South Central request is an act of desperation for change

Local Elected Officials Feedback

- **Regional Recommendation Comments:**
 - Western Kentucky does not want consolidation of three LWIAs as well as bringing in BRADD issues to region
 - West Region too large for folks to travel

Local Workforce Investment Board Feedback

- **Local Option 1 Comments:**
 - GR LWIA is working
 - BRWIB members from SCKY do not show up
 - GRWIB supports and has seen more LEO engagement since other area issues arose
 - Do not add cost to the system by making change
 - BRWIB supports current structure because opportunities for change exist under WIOA

Local Workforce Investment Board Feedback

- **Local Option 2 Comments:**
 - New ideas, practices and innovation are needed to meet talent pipeline demand
 - Need new collaboration, accountability and quality improvement

Local Workforce Investment Board Feedback

- **Regional Recommendation Comments:**
 - Maintain TENCO as Local Area and Region because doing good work now
 - Cumberland suggests being a region together with EKCEP
 - EKCEP is a big enough region in and of itself and does great work

Community Stakeholders Feedback

- **Local Option 1 Comments:**

- BGADD believes audit findings should not impact boundaries discussion and supports the current local structure

- **Local Option 2 Comments:**

- Same message regarding SCKY value proposition
- Training provider indicates no referrals from system
- Mayor Gray communicates performance concerns and desire to address own workforce needs
- Commerce Lexington sees need & opportunity for change

Community Stakeholders Feedback

- Non-profit and City Council express need to improve services for targeted populations
- **Other Local Input:**
 - Concern that the discussion was not focused on the customers and need for system improvement
 - Alternate option for local area including Fayette
- **Regional Recommendation Comments:**
 - If it ain't broke, do not fix it...leave EKCEP alone

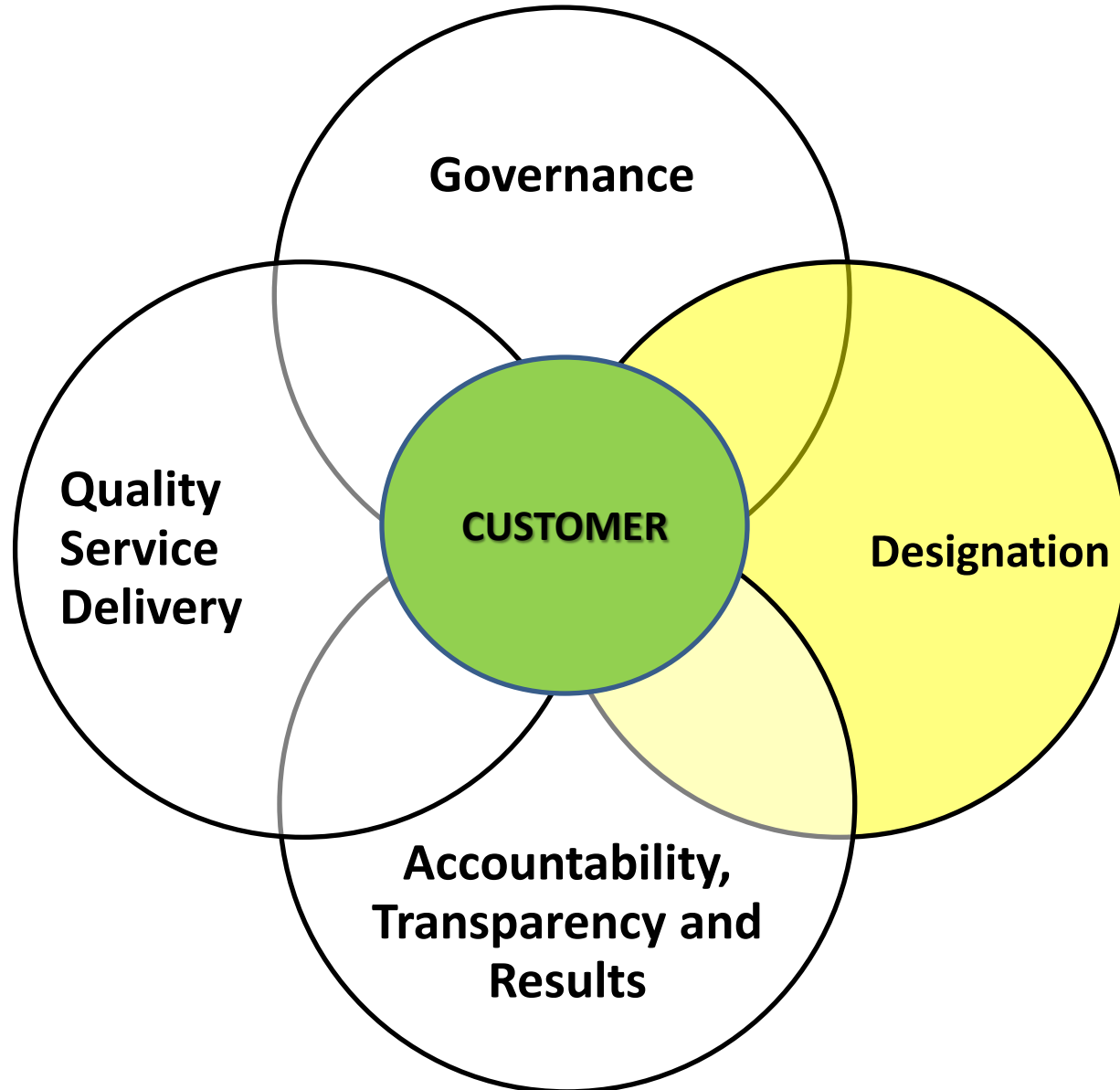
Written Public Comment

- **Local Option 1 Comments:**
 - Officials support – 1 WKY, 1 BR, 1 BG, 7 EKCEP
 - Individual customer support – 7 BR, 4 unknown
 - Others – 1 BR training provider, 1 WKY ADD Director, 1 BR Employer customer
- **Local Option 2 Comments:**
 - Official support – 1 BG

Written Public Comment

- **Regional Recommendation Comments:**
 - TENCO against – 1 WIB Director, 1 WIB member, 1 Chamber
 - Western Kentucky – 7 WIB Members, 5 Officials, 1 ADD Director, 1 Economic Development
 - All comments supported local areas as regions

System Transformation Under WIOA



Section 106

Regions identified:

- 1 local area;
- 2 or more local areas; and
- Interstate areas

Local areas identified:

- Consistent with labor market areas
- Consistent with economic regions
- Available Federal and non-Federal funds



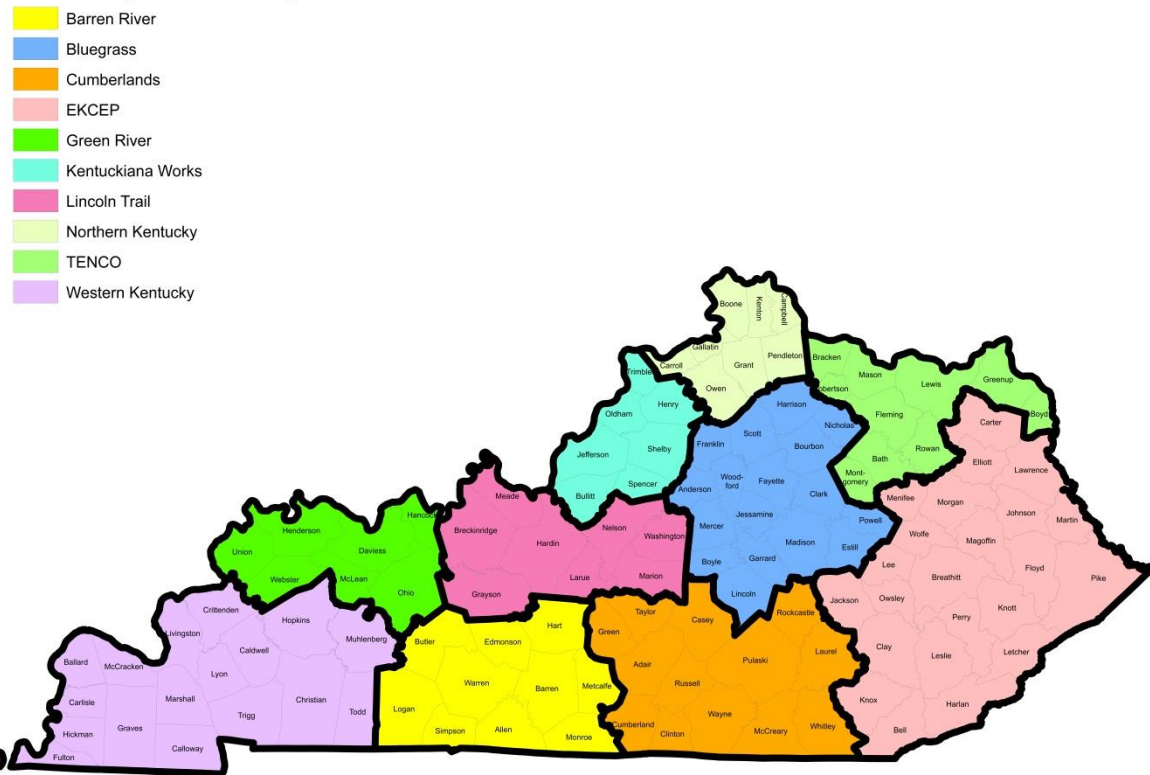
Local Area Options Discussion

- Option 1 – No Change
- Option 2 – LEO Change Requests
- Option 3 – Employer Stakeholder Request
- Explore other options or modify existing ones

Local Area Option 1

Local Area Option 1 - No Change

Local Area Option 1 - No Change



Option 1 – No Change

- **Pros:**
 - Focus on strategic policy and service delivery changes under WIOA
 - Workforce system partner relationships already established
 - Stability in funding structures in local areas

Option 1 – No Change

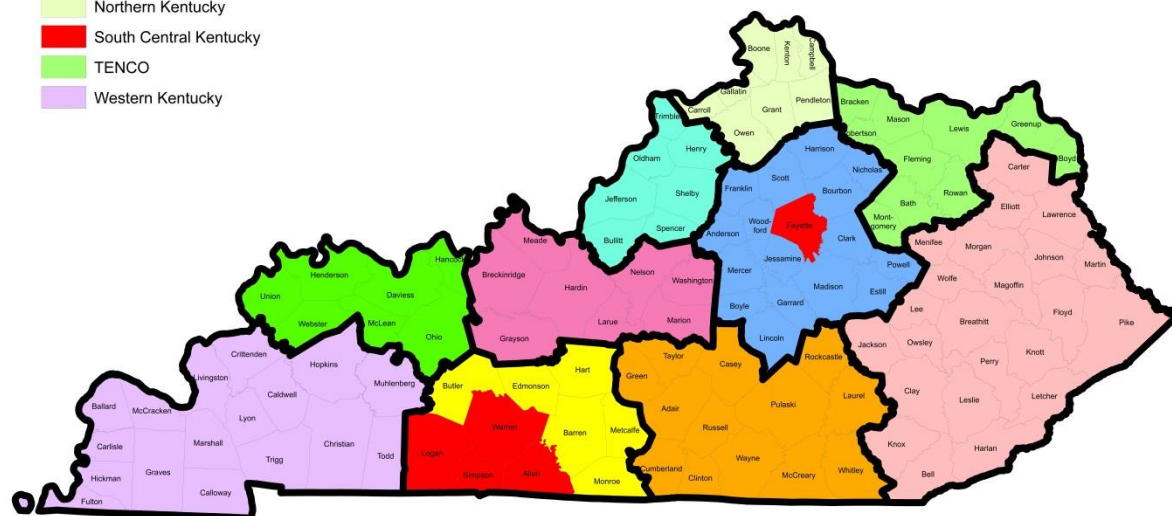
- **Cons:**
 - Local Elected Official requests not granted
 - Does not support streamlining of the workforce system
 - Does not take advantage of the opportunity to restructure local areas under WIOA

Local Area Option 2

Local Area Option 2 - LEO Change Requests

Local Area Option 2 - LEO Change Requests

- Barren River
- Bluegrass
- Cumberland
- EKCEP
- Fayette County
- Green River
- Kentuckiana Works
- Lincoln Trail
- Northern Kentucky
- South Central Kentucky
- TENCO
- Western Kentucky



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Option 2 – LEO Change Requests

- **Pros:**
 - Some Local Elected Official requests are granted
 - Ownership in the system by local leaders
 - Embraces the opportunity to change local areas under WIOA
 - Brings local workforce funds home

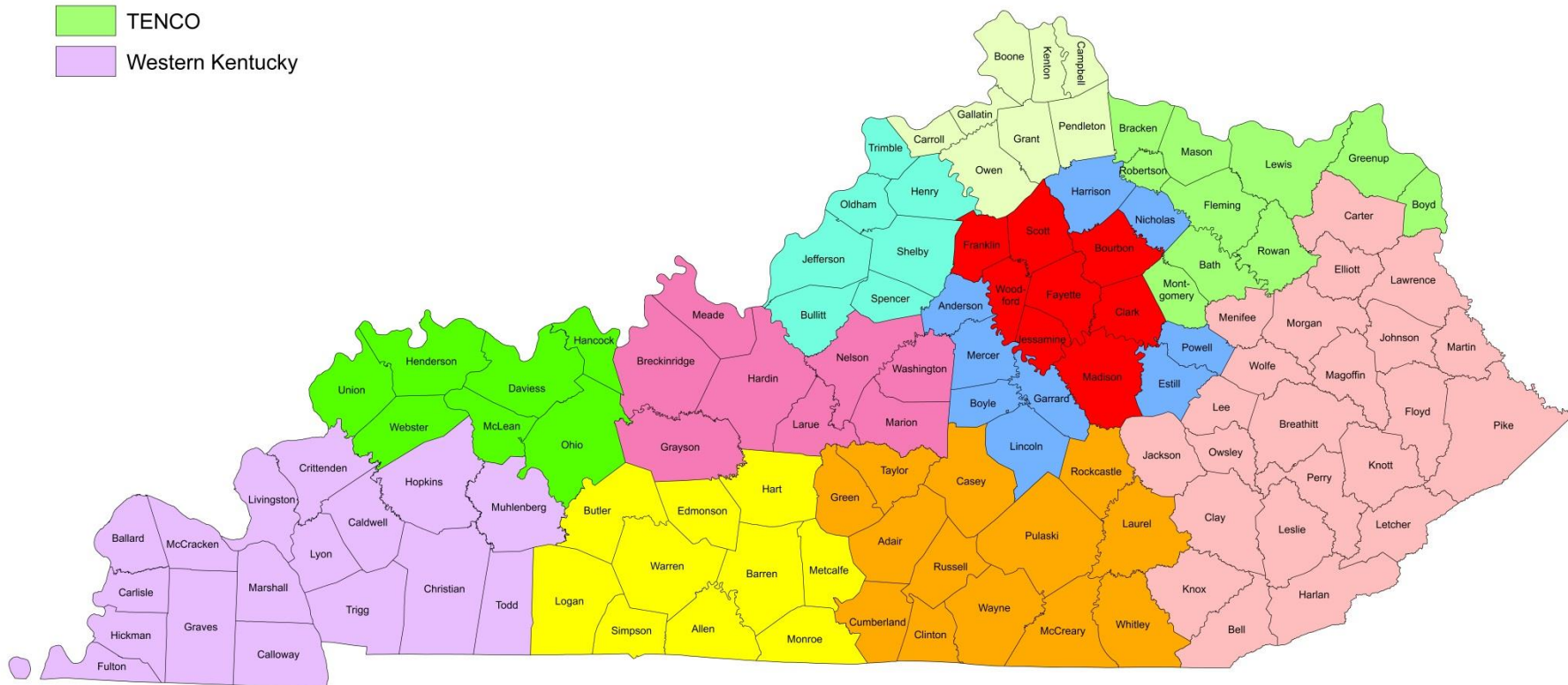
Option 2 – LEO Change Requests

- **Cons:**

- Not in alignment with economic region, local labor market area and commuting pattern data
- There is not consensus among Local Elected Officials that new local areas should be formed
- Separates workforce planning between communities that have the jobs and those that provide the workforce
- Limits economies of scale on administrative and
› service delivery functions

Local Option 3 - Employer Stakeholder Request

Local Option 3 - Employer Stakeholder Request



Option 3 – Employer Stakeholder Request

- **Pros:**
 - Ownership in the system by employers
 - Embraces the opportunity to change local areas under WIOA
 - Recognizes a local area configuration based on an existing economic development alliance
 - Represents a compromise between the other two options for the Bluegrass

Option 3 – Employer Stakeholder Request

- **Cons:**
 - Not aligned with commuter patterns
 - Local Elected Officials did not request this option and were not consulted
 - All Bluegrass Local Elected Officials have already indicated support for one of the other two options
 - Limits economies of scale on administrative and
➤ service delivery functions

Discuss Local Recommendation



Regional Options Discussion

- Region Coordination
- Option 1 – New Four Intrastate Regions
- Option 2 – Three Intrastate Regions
- Option 3 – 10 Intrastate Regions
- Explore other options or modify existing ones

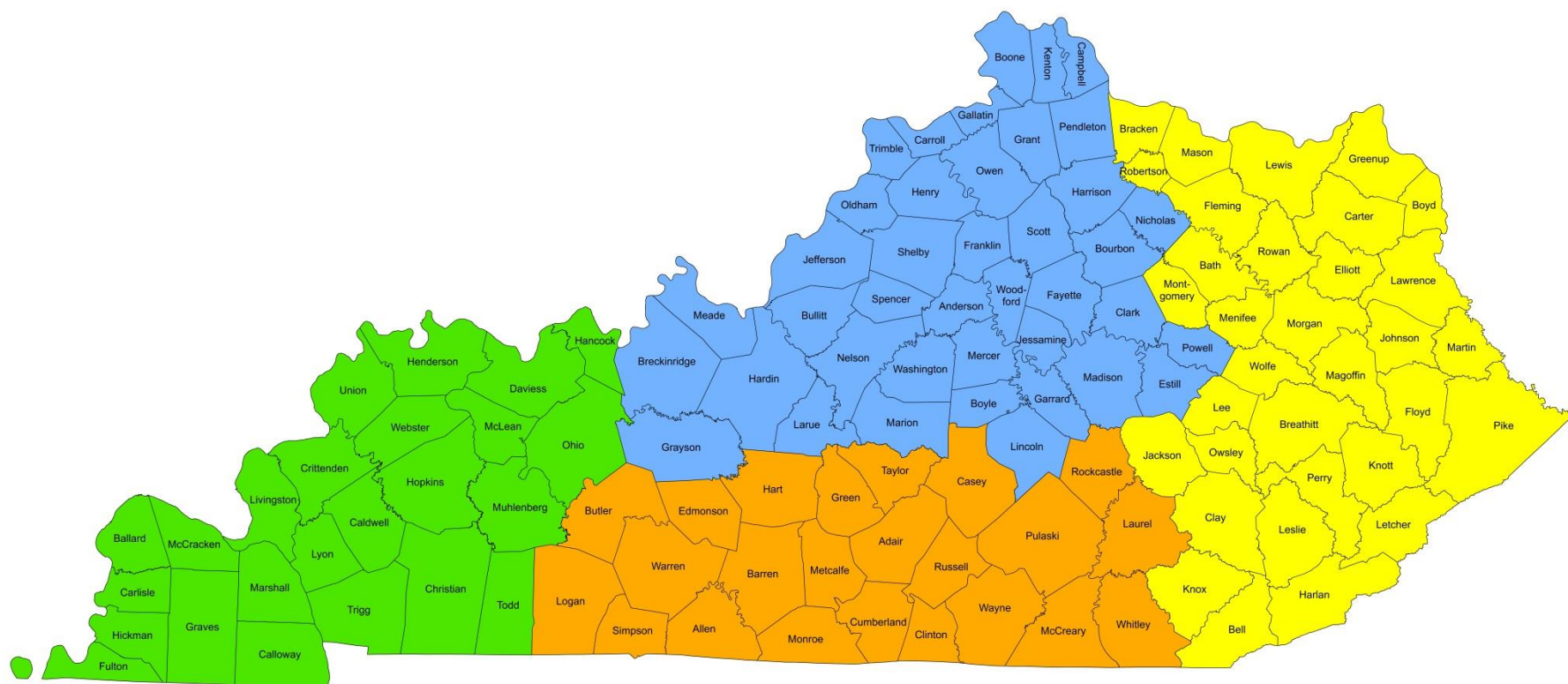
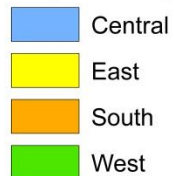
Regional Coordination

Regional Planning:

- Prepare a regional plan
- Establish regional service strategies
- Develop and implement sector strategies
- Collect and analyze regional labor market data
- Establish administrative cost arrangements
- Coordinate transportation and support services
- Coordinate with regional economic development

Regional Option 1 - Four Intrastate Regions

Regional Option 1 - Four Intrastate Regions



Regional Option 1 – New Four Intrastate Regions

- **Pros:**
 - Addresses some concerns regarding the size of regions in initial recommendations
 - Recognizes LWIB work across local areas
 - Supports economic region sector strategies work
 - Allows for economy of scale on administrative and service delivery functions

Regional Option 1 – New Four Intrastate Regions

- **Cons:**

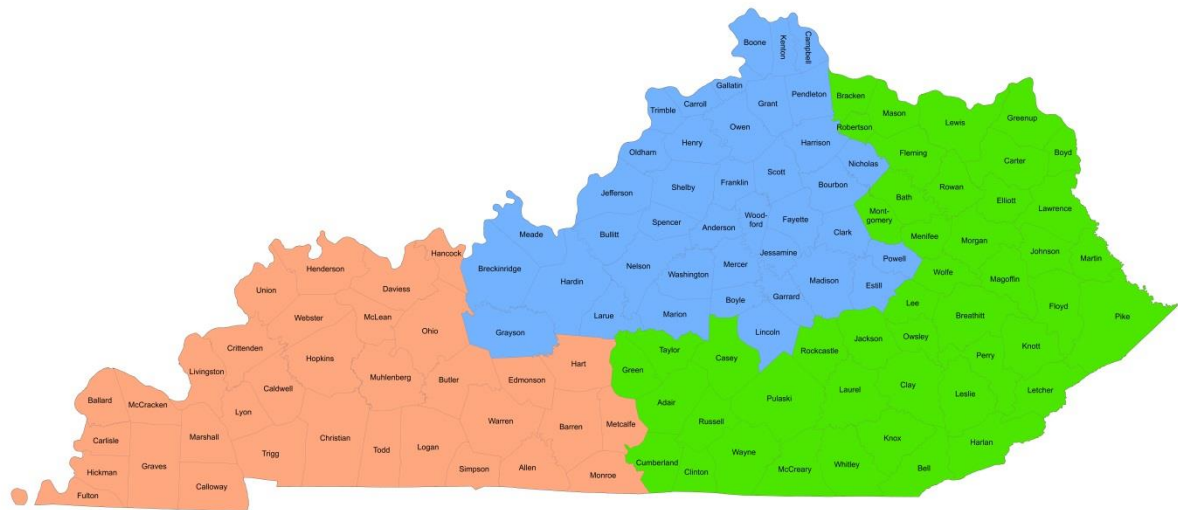
- Does not address some requests for local areas and regional areas being one and the same
- Difficult to achieve administrative savings with different procurement processes/regulations
- Challenging to achieve the same One-Stop Operator given different procurement approaches
- Complexities of sharing performance data across different IT infrastructures

Regional Option 2

Regional Designation Option 2 - Three Intrastate Regions

Regional Designation Option 2

- Central
- East
- West



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Regional Option 2 – Three Intrastate Regions

- **Pros:**
 - Recognizes LWIB work across local areas
 - Supports economic region sector strategies work
 - Allows for economy of scale on administrative and service delivery functions

Regional Option 2 – Three Intrastate Regions

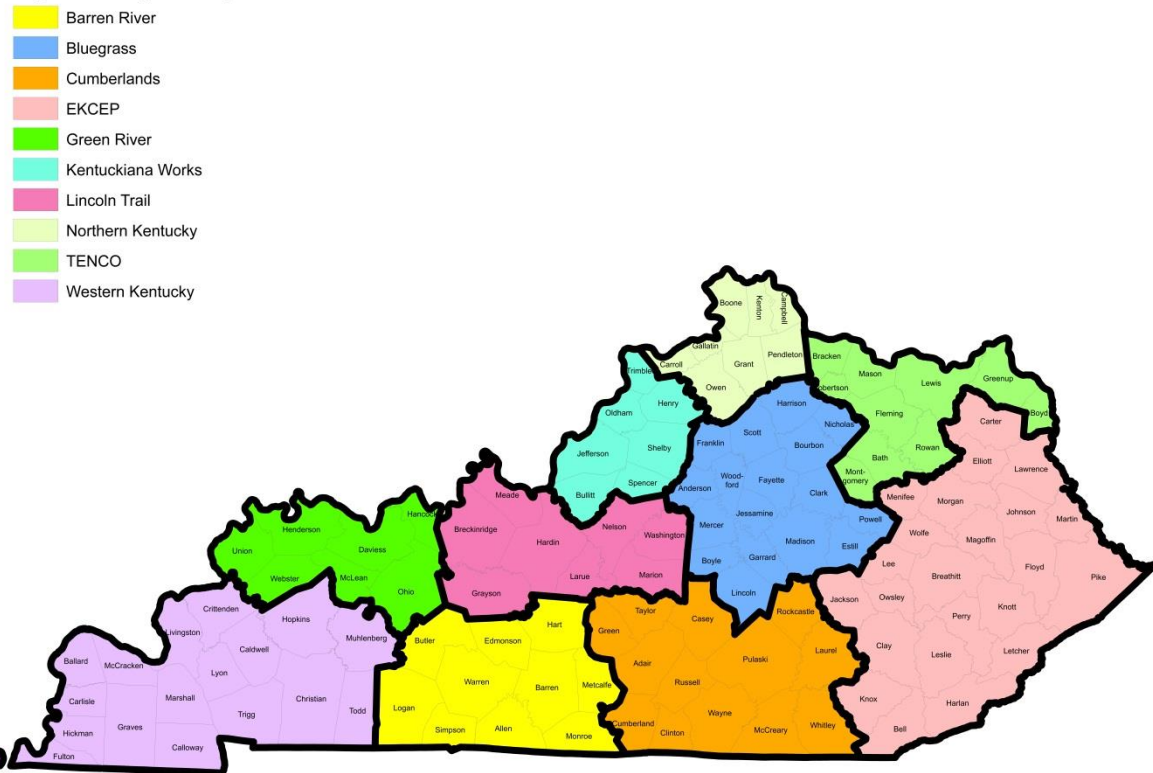
- **Cons:**

- Does not address some requests for local areas and regional areas being one and the same
- Difficult to achieve administrative savings with different procurement processes/regulations
- Challenging to achieve the same One-Stop Operator given different procurement approaches
- Complexities of sharing performance data across different
➤ IT infrastructures

Regional Option 3

Regional Designation Option 3 - Ten Intrastate Regions

Regional Designation Option 3



Regional Option 3 – Ten Intrastate Regions

- **Pros:**
 - Simple for the LWIB
 - Focus on strategic policy and service delivery changes under WIOA within own area
 - Workforce system partner relationships already established
 - Aligns with most public comment feedback

Regional Option 3 – Ten Intrastate Regions

- **Cons:**
 - Does not create an environment conducive to reducing the number of local areas
 - Does not allow for economies of scale on administrative and service delivery functions
 - Allows local areas to be insular in their approach to workforce planning and services

Discuss Regional Recommendation



Action Steps

- One Page Brief on Local Recommendation
- One Page Brief on Regional Recommendation
- KWIB meeting on March 2